

Mr. Adil Shafi  
7517 Radcliffe  
Brighton, MI 48114

November 19, 2008

Dear Adil:

This letter confirms that Braintech, Inc. (the "Company") has decided to rescind the August 12, 2008 acquisition of Shafi Inc. ("SI") and 80% of the stock of Shafi Innovation Inc. ("SII"). Accordingly, we hereby tender back to you, as Seller, all of the consideration you gave to the Company, i.e., the shares of SI and SII, along with your agreement to serve as an officer and director of the Company. In return, we demand back all of the consideration that the Company gave to you. As discussed, you will let us know by close of business on Friday, November 21, 2008, whether you want to work together toward a joint effort to effect the rescission.

In the meantime, as a showing of good faith, we have placed you on Administrative Leave with pay and benefits until further notice. As you know from our discussion today, we have ample grounds to terminate your Employment Agreement for Good Cause. While we specifically reserve our rights to terminate your Employment Agreement based upon the Good Cause that exists as of today, we seek to unwind the Employment Agreement as part of the transaction to be rescinded. We do not waive any basis to terminate it and, moreover, we do not accept any further performance from you under that agreement.

We look forward to working with you to effect a smooth transition back to the parties' respective positions on August 11, 2008.

Sincerely,



Rick Weidinger  
Chairman and Chief Executive Officer  
Braintech, Inc.

cc. Jeffrey J. Milton, Esq.



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